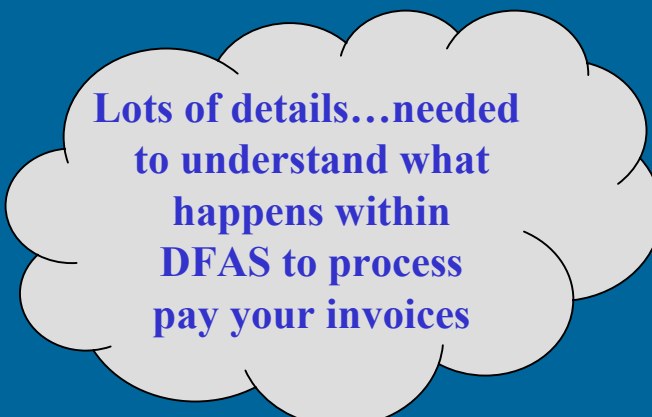# CBA PROCESSING

Presented by

DFAS NORFOLK

DFAS-NF

DEC 2001

Agenda

- **Objective**
- **Brief History**
- **Manual CBA Payment Process**
- **Mechanized CBA Payment Process**
  - **Assembly**
  - **Post assembly - QA**
  - **Formatting for One Pay**
  - **File Transfer to One Pay**
  - **One Pay Rework Items**
  - **Paying the Invoice**
- **Summary**
- **Questions**

Lots of details…needed to understand what happens within DFAS to process pay your invoices

Objective

- **Eliminate potential for suspension of accounts**

- **Minimize interest penalty payments**

- **Maximize rebates/discounts**

- **Reduce cost of rework**

History

- **Oct 96** – DFAS-CL declared mandatory replacement of Navy Government Transportation System (GTS)
  - GTS not Y2K compliant and did not prevalidate invoices to existing obligation

- **Jan 99** – DFAS-NF began processing mechanized CBAs in One Pay by rolling up LOA's with like SDNs

- **May 99** – FMSO programmed One Pay to allow CLIN processing for both manual and mechanized CBAs

- From outset, due to large volume of LOA's on each invoice, **prevalidation became No. 1 obstacle in getting CBAs paid on time**

CBA - Manual Process

- **Certified Invoice received at DFAS-NF via FEDEX (usually)**

- **Invoice tracking:**
  - **Bill removed from envelope**
  - **Account & invoice #s on BOA Statement double checked**
  - **Tracked into One Pay using SF 1034 info**
  - **One Pay assigns DCN & identifies due date**

- **Invoice staged for payment in due date order**

- **Accounting Tech enters data furnished by submitting activity**

- **Military Entrance Processing Station (MEPS)**
  - **May send 2-3 LOAs (bulk Funding) or**
  - **Attach all travel orders & have one LOA for each order**

CBA - Manual Process (Con't)

- **Other Activities (Non-MEPS)**
  - Sends bank statement, SF-1034 & orders or
  - Sends Bank statement, SF-1034, orders & printout of Travel Agency & Bank Reconciliation (we pay from reconciliation)

- **All bills go to preval ("M" Status - lack of funds)**
  - MEPS Invoices usually clear "M" status within 96 hours
  - Other invoices normally have FADA/Preval issues which extend payment time

- **DFAS-NF selects invoices near due date to pay offline via manual checks to keep individual activity accounts active**

CBA – Mechanized Process

ASSEMBLY:

- **HQ-SATO submits invoices daily via email. Contents:**
  - Transmittal w/account name, invoice #, Transactional Billing Account, bill received date, certifying UIC, net payment, # of line items

  - Data Payment File w/LOA, ticket #, traveler name, amount, & trailer record w/SATO bill number & file totals

  - Scanned image of certified Bill Payment Summary Report

- **Accounting Tech assembles transmittals into batches for upload (approx. twice a week) Example:**

  - Sep 2001: Uploaded 210 invoices in 7 batches, 78,286 line items, 370 batch average, ranging from 3 to 3,424 line items each

CBA – Mechanized Process (Con't)

POST ASSEMBLY - QA:

- **DFAS-NF places erroneous transmittals in pending file & notifies HQ-SATO.   Examples:**

  - **Transmittal information differs from attachments**

  - **Reconciled invoice date less than invoice receipt date**

  - **Transmittal number previously used**

CBA – Mechanized Process (Con't)

FORMAT FOR ONE PAY (1):

- **Invoices passing assembly phase mechanically reformatted to One Pay format using data files from SATO, plus Accounting Tech input:**
  - **Accounting Tech creates <u>data table of invoice info not found in incoming data file:</u>**
    - **Generic DCN (Document Control Number) – required by One Pay**
    - **Invoice Date (from Bill Payment Summary Report - date bill received)**
    - **Clock Date/FIPC Date (Date DFAS-NF receives e-mail transmittal from HQ-SATO**
    - **Certifying UIC (Identifies NAVPTO office where Bill Payment Summary is signed)**
    - **Bill No. (16 digit transactional account # found on Bill Payment Summary Report**
    - **Invoice Sequence No. (last 6 digits of invoice # on Bill Payment Summary Report**
    - **Disk Name (SATO's bill #, used for reference when dealing with SATO and NAVPTO's – example 019164101-A)**

CBA – Mechanized Process (Con't)

FORMAT FOR ONE PAY (2):

- **Accounting Tech runs reformatting program**
  - **In-balance invoices reformatted to One Pay format.**
  - **Invoices rejected at this stage when total amount does not agree with sum of detail records –HQ-SATO notified (rarely happens)**

  - **Reformatted invoice file will contain:**
    - **Invoice Record ("AO" Record) – Vendor information -1 per invoice**
      - *(Example: Contract #, Vendor Name, Payment Type, etc)*
    - **Invoice Data Record ("A2" Record) – 1 per invoice**
      - *(Example: Invoice receipt date, FIPC date, Invoice #)*
    - **CLIN Data Record ("A3" Records) – one record per LOA on SATO data file (includes LOA, line amount, ticket #, passenger name, departure date, etc)**

CBA – Mechanized Process (Con't)

FORMAT FOR ONE PAY - QA (1):

- **Types of reformatting occurring during this run:**
    - **When no SDN is present (ie blank, all 9's, all 0's or "NNX999999999999"), a document # is formatted as "NNX925+julian date+incremental count")**
    - **Missing ACRN's replaced with "AA"**
    - **When AAA is "68342" transaction type replaced with "6C"**
    - **When BCN = "77777" transaction type replaced with "2F"**
    - **If Fiscal Year = "9", replace 'some' suballotments with "0"**
    - **Several AAA's coming in with obvious AAA errors have been programmed to automatically correct (example: N42556 is changed to 042556, AAA 068556 is changed to 068566, etc)**

- **Goal is minimize errors in One Pay and attendant delays**

CBA – Mechanized Process (Con't)

FORMAT FOR ONE PAY - QA (2):

- **All invoices batched into one file. Batched file contains header/trailer records with overall record count and amount of invoices**

- **Once reformatting process is complete, accounting tech runs two additional programs:**

  - **Program 1 lists LOAs containing missing SDNs.**
  - **Invoices left in batch for upload; NAVPTOs notified via e-mail to forward copies of orders containing missing SDN's to DFAS-NF (0 to 2 times per upload)**
  - **Program 2 performs abbreviated match of some accounting lines to CMET (Centralized Master Edit Table). This occurs for BUPERS AAA 000022 and Navy Working Capital Fund appropriation 4930. Errors are listed so DFAS-NF Systems Administrators can correct before loading to STARS.**

CBA – Mechanized Process (Con't)

<u>FORMAT FOR ONE PAY - INITIAL OUTPUT Tracking</u>:

- **Accounting Tech creates spreadsheet of invoices included in upload & emails to Vendor Pay Dept, NAVPTO's and CNO's office.**
  - **Spreadsheet contains: Contract #, Invoice # (Bill Account # plus Sequence #), Certifying UIC, Receipt Date, FIPC Received Date, Invoice Amount, SATO/NAVPTO Bill #.**

- **Systems Administrator appends batch file to DFAS-NF network historical file for research purposes and transfers batch to DAC Mechanicsburg for nightly processing.**

CBA – Mechanized Process (Con't)

FILE TRANSFER TO ONE PAY - INITIAL VALIDATION (1):

- **One Pay receives file transfer, validates invoices are in balance, and begins testing:**

  - **Accounting lines validated to CMET. Detected CMET errors listed on INFOPAC Report (IDA 135)**

  - **All status codes listed on IDA 135 one day only**

  - **Vendor Pay works CMET errors, duplicate ticket and FMS errors**

  - **FMS approval must be received by end of month.**
    - **Payment must be made in same month expenditure authority received.**
    - **If not paid by last week of month, must request new authority from FMS.**

CBA – Mechanized Process (Con't)

FILE TRANSFER TO ONE PAY - INITIAL VALIDATION (2):

– SDNs & ACRNs matched to their respective Obligation Tables to determine if funds exist to cover expenditure. (STARS AAA's match to Financial Accounting Data Abstract (FADA), for Non STARS sites LOA, SDN & ACRN go to APV module to be prevalidated by AAA)

– FADA resides in One Pay and is mirror image of STARS-FL
  - FADA/FL reconciliation is run 3rd Friday of each month
  - Document deleted from FADA when accounts payable & funds disbursed equal zero
  - Remainder of documents are overlayed w/amount in FL

– Each STARS AAAs' FADA resides in their One Pay Region- important because if AAA is incorrect, One Pay will look in wrong region.

– **Obligations established in STARS-FL take 24 to 48 working hours to post to the FADA**

CBA – Mechanized Process (Con't)

ONE PAY - REWORK PROCESS (1):

- **When obligation is insufficient or missing, obligation error flag is set. Obligation errors listed on INFOPAC Reports (IDA 128/IDA 129)**
  - CLIIN Error Codes

    - **WN No obligation on FADA.   Funds need to be obligated.**
    - **WM Insufficient funds on FADA.   Obligation needs to be increased**

    One Pay automatically overrides up to $2,500 for insufficient funds on FADA. Occurs after all other errors are cleared. Does not apply to DBOF (4930) lines or Reimbursable LOAs.

    - **G__ Non-STARS AAA.   Prevalidation request through APV**

- **FA reviews missing obligation reports; establishes obligations as needed. DFAS-NF corrects CMET and SDN errors as requested by FA**

CBA – Mechanized Process (Con't)

ONE PAY - REWORK PROCESS (2):

- **Invoices which have not been cleared for payment recycled and updated nightly with new status codes as appropriate.**

- **Once all obligation requests satisfied and CMET errors cleared, invoice flagged for payment on Prompt Pay Date.**
  - **Status Codes from One Pay**
    - **A   Additional data needed (Invoices do not recycle)**
    - **M   Suspended from Payment - funds insufficient**
    - **V   Valid for payment**
    - **Q   Cash Management Queue (Processed & waiting selection for payment)**
    - **D   Disbursed not reconciled**

- **By direction of HQ-DFAS, payment date is changed to soonest possible pay date.**

CBA – Mechanized Process (Con't)

<u>Paying the invoice…finally!</u>

- **Automated EFT** – mechanized CBAs and some BOA vendor IDs for manual CBAs paid by EFT payments once invoices cleared of error messages.

- On exception basis only, some **offline check** payments made where account payments overdue or account in danger of suspension. **Done to support operational matters.**

Summary

- **Although significant improvement over past 18 months, current CBA payment procedure still lengthy and cumbersome**

- **Automated feed from SATO to One Pay needed; however automated feed <u>without upfront CMET edits would not be advantageous.</u>**

- **Current batch processing procedures contain many built in edits and fixes still needed because:**

  - **#1 – SATO programs do not contain CMET edits**
  - **#2 – Making LOA corrections in One Pay currently tedious process - system changes to ease situation currently scheduled for 2/2002**

- **Regardless of transmission vehicles, <u>finding solutions to getting LOA's obligated is still our biggest challenge.</u>**

**Invoice Data and Payment Flowcharts
in subsequent slides provided for reference**

MANUAL CBA INVOICES NAVY
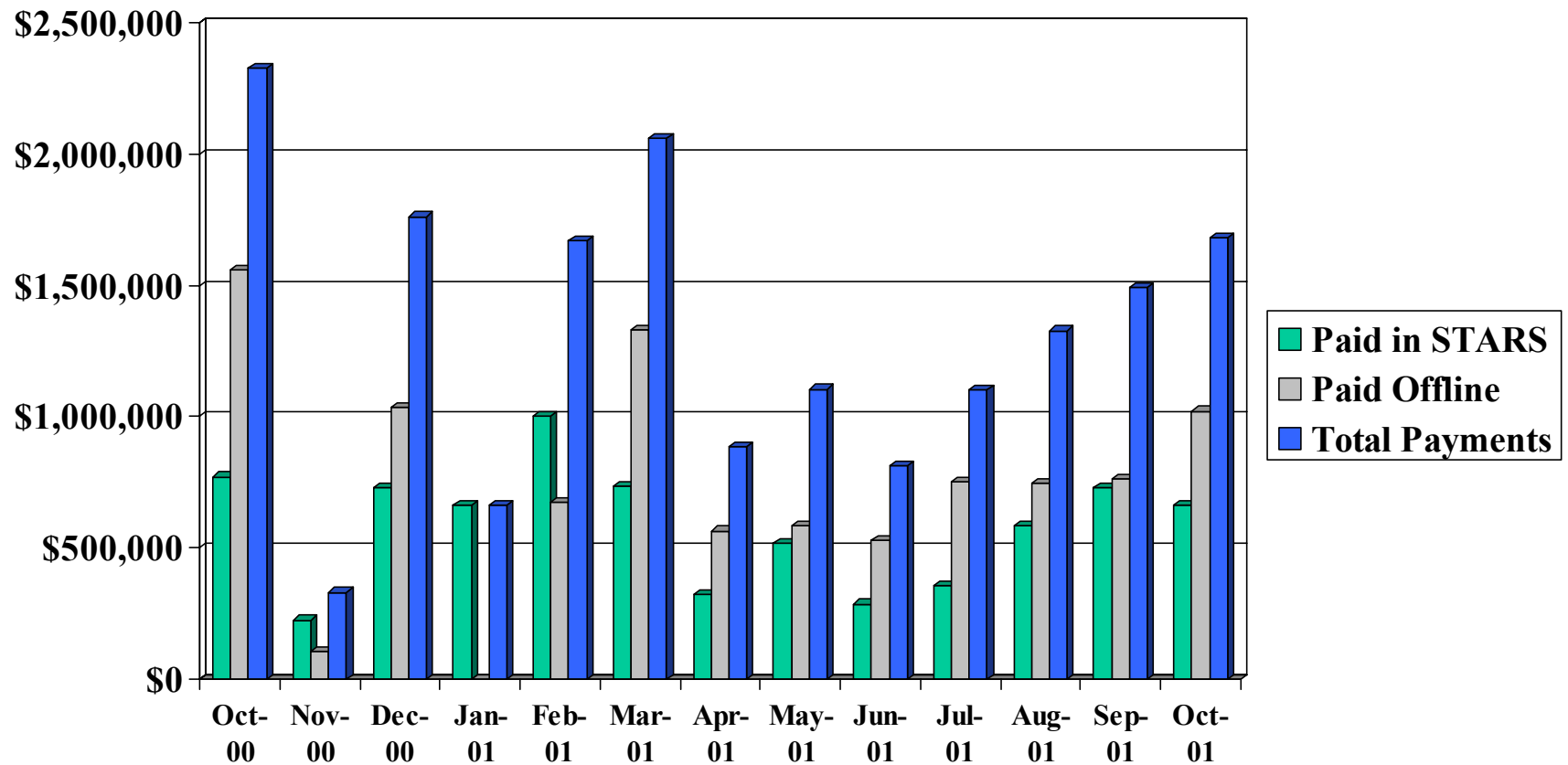
MECHANIZED CBA INVOICES NAVY

Legend:
- Paid in STARS
- Paid Offline
- Total Payments
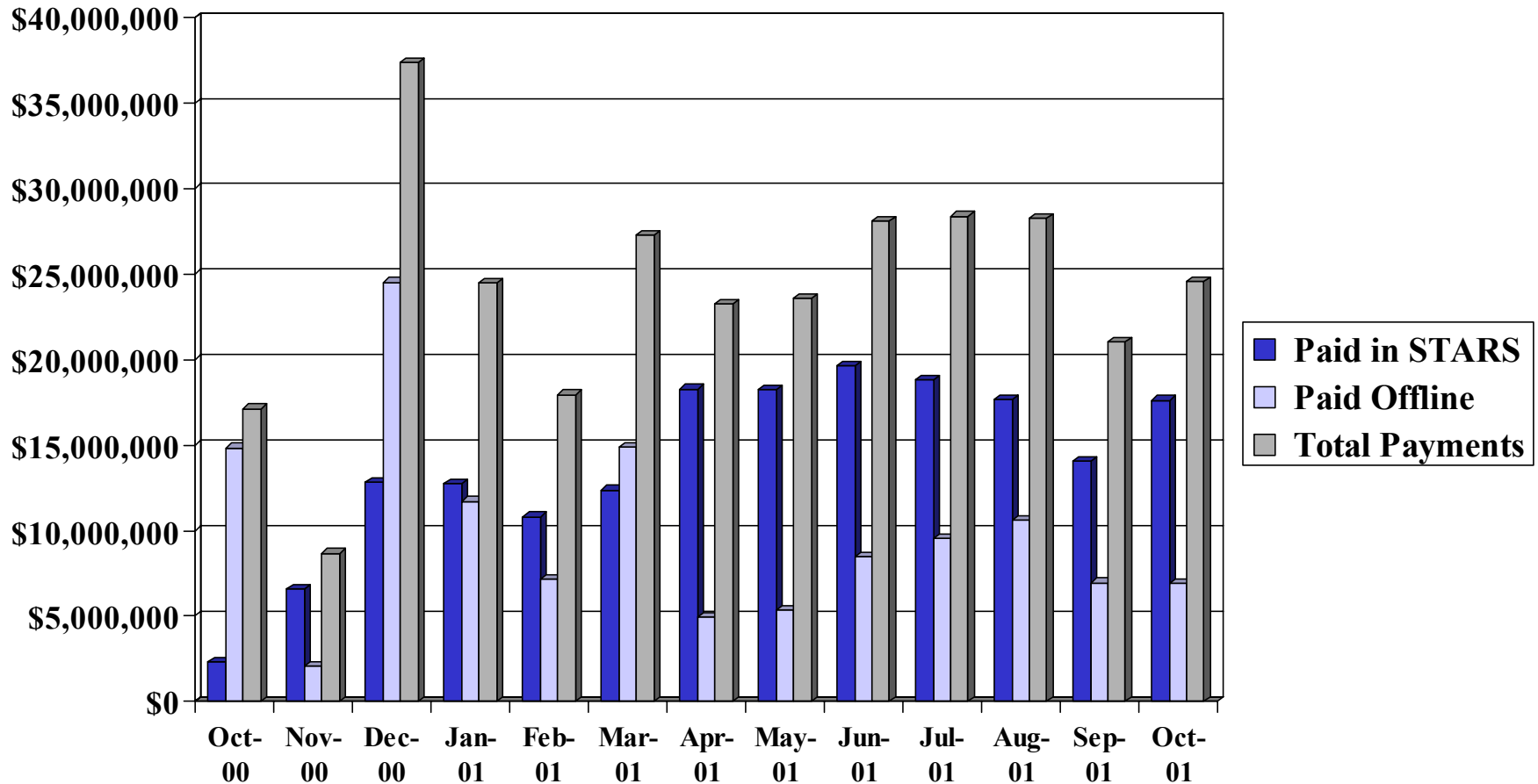
COMBINED CBA INVOICES NAVY
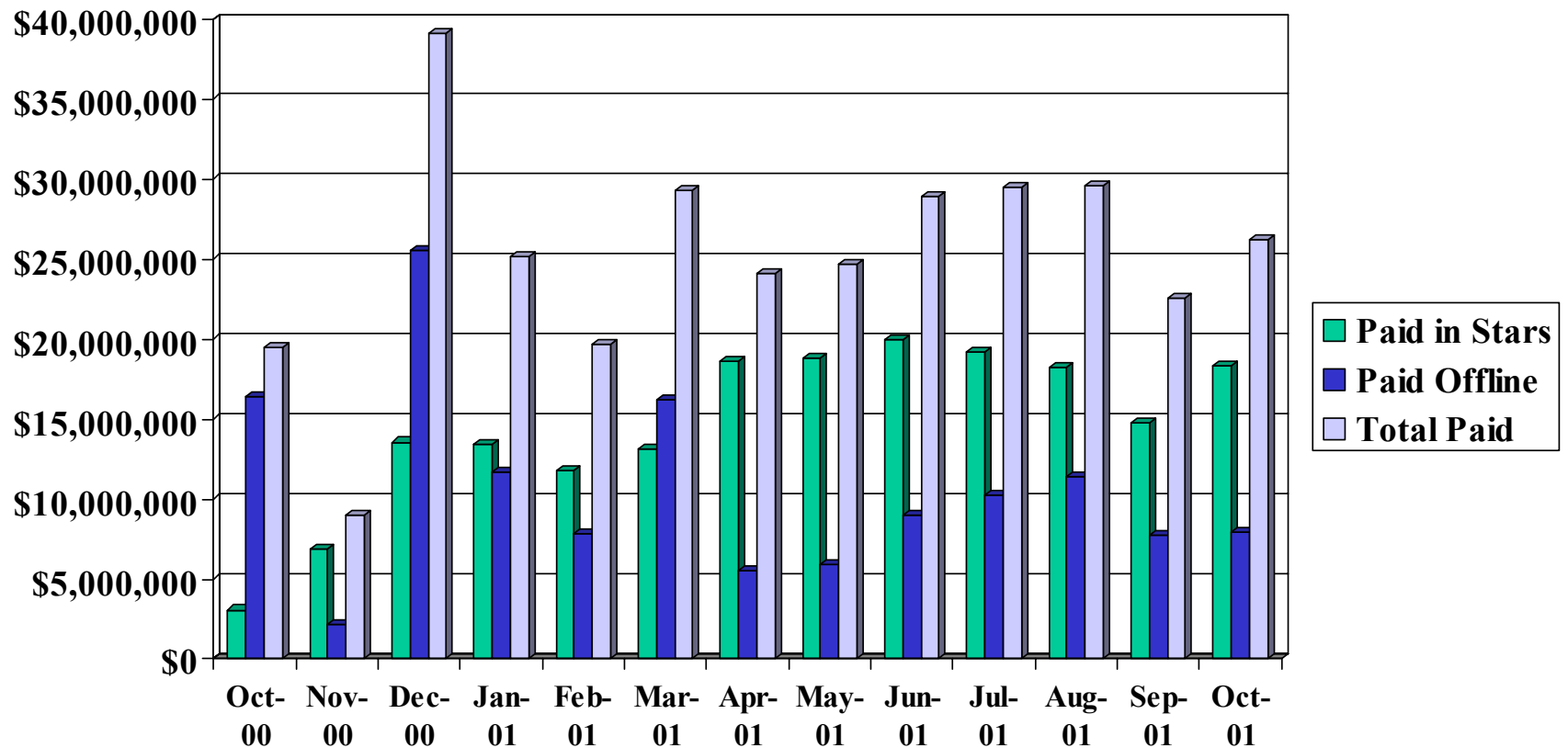
PAYMENT OF CBAs IN STARS ONE BILL PAY

Start

Email Transmission

A — Corrected Errors from SATO HQ and NAVPTOs

Copy of Certified Voucher from HQ-SATO Arlington

Detail Payment Data (text files)

Returned Errors

DFAS Matrix Analysis Division (Systems)

Compress Previous Day's "Diners.txt" Files

Copy Current Day's Files to Network

Online Storage (Network)

Convert Payment Data Files to STARS Invoice Format

(Automated)

1

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                              │ Compare Computed│
         ┌───────┐            │ Totals Against  │
         │   1   │───────────▶│    Vouchers     │
         └───────┘            └─────────────────┘
                                       │
                                       ▼
                              ╱─────────────╲                    ┌──────────────────┐
                             ╱    Totals     ╲      No            │  Notify HQ-SATO  │
                            ⟨    Agree?       ⟩──────────────────▶│  of Out of Balance│
                             ╲               ╱                    │   Condition      │
                              ╲─────────────╱                     └──────────────────┘
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                                   │ Yes                                   ▼
                                   ▼                              ┌──────────────────┐      ┌─────┐
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                           │ Missing SDNs │                       └──────────────────┘
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                                   ▼
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  │ Log Sheets   │         │  Invoice     │           │ Invoice File to│
  │ for Control  │         │ Transactions │           │   DAC Mech    │
  │ (Automated)  │         │ to History   │            ╲──────────────╱
  └──────────────┘         │  File        │                   │
          │                │(for research)│                   ▼
          ▼                 ╲────────────╱            ┌──────────────┐
  ┌──────────────┐                                    │ STARS One Bill│
  │Forward Copies│                                    │  Pay Nightly  │
  │of Log files  │                                    │  Batch Run    │
  │to Systems,   │                                    └──────────────┘
  │Vendor Pay    │                                            │
  │Personnel,    │                                            ▼
  │NAVPTOs and   │                                    ╱──────────────╲      ┌─────┐
  │CNO           │                                    │BOA Transactions│────▶│  2  │
  │(for research)│                                    │Merged with All │     └─────┘
  └──────────────┘                                    │Input          │
                                                      │Transactions for│
                                                      │  STARS Run     │
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  │ 2 │──▶│  Lines   │◀──────────────────▶│ Compare  │
  └───┘   │Validated │                    └──────────┘
         └──────────┘
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          ╱    ╲                    ┌──────────┐   ┌──────────┐
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       ╱Accounting╲────────────────▶│ Flagged  │──▶│Listed on │
        ╲  Line   ╱                 │  with    │   │ INFOPAC  │
          ╲Valid?╱                  │  Error   │   │  Report  │
            ╲╱                      │ Message  │   │(IDA 135) │
             │                      └──────────┘   └──────────┘
  ┌───┐ (Recycle)  Yes
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     │            ╲Pre- ╱               │ INFOPAC  │
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     ▼              ╲╱                  │(IDA 128, │
 ┌──────────┐        │ No               │ IDA 129  │
 │ Original │        ▼                  │or LXF3113B)│
 │  Preval  │  ┌──────────┐             └──────────┘
 │ Request  │  │ Invoice  │
 │Cancelled/│  │is Flagged│
 │   New    │  │for Payment│
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